What is claimed is:

1. A method of matching a level of risk to an expected return for a financial product, the method comprising:

selecting a first and a second investment option;

selecting a duration;

calculating a risk and a corresponding return on investment for each of said investment options based on said duration; and

calculating an efficient frontier between said first and second investment options, said efficient frontier defining a plurality of risks and corresponding expected returns on investment for said financial product.

2. The method of claim 1, wherein said first investment option is a low risk option.

3. The method of claim 1, wherein said first investment option is a borrowing rate.

4. The method of claim 1, wherein said second investment option is a higher risk option than said first investment option.

5. The method of claim 1, wherein said duration is a duration of said financial product.

6. The method of claim 1, wherein said financial product is an automobile loan.

7. The method of claim 1, wherein said corresponding return on investment for each of said investment options are calculated by

determining an estimated lifetime net income for said investment option;

determining an estimated lifetime annualized net income for said investment option; and

dividing said estimated lifetime net income by said annualized net income.

8. The method of claim 1, wherein said efficient frontier is calculated by identifying a slope of a frontier between said first and said second investment options.

9. A method of evaluating an application for a financial product, the method comprising:

establishing an efficient frontier defining a plurality of expected returns on investment associated with a plurality of risks of loss;

receiving application data defining an application for a financial product;

estimating a calculated risk of loss associated with said application;

calculating, based at least in part on said expected loss data, a calculated return on investment of said application; and

comparing said calculated return on investment to an expected return on investment associated with said calculated risk of loss.

10. The method of claim 9, further comprising:

approving said application if said calculated return on investment is greater than or equal to said expected return on investment associated with said calculated risk of loss.

11. The method of claim 9, further comprising:

rejecting said application if said calculated return on investment is less than said expected return on investment associated with said calculated risk of loss.

12. The method of claim 9, further comprising:

increasing a price of said financial product if said calculated return on investment is less than said expected return on investment associated with said calculated risk of loss;

wherein said price is selected to increase said calculated return on investment.

13. A method of pricing a financial product, comprising:

establishing an efficient frontier defining a plurality of expected returns on investment (ROI) associated with a plurality of risks of loss;

receiving application data defining an application for a financial product;

selecting a price for said financial product;

calculating, based at least in part on said application data, expected cash flow data;

calculating, based at least on said expected cash flow data and said price, a potential ROI for said application;

comparing said potential ROI with said expected ROI at a given risk of loss; and

approving said application with said price if said potential ROI is within a target range of said expected ROI.

14. The method of claim 13 wherein said application data includes at least one of: applicant information; collateral information; and payment information.

15. The method of claim 13, further comprising:

repeating said selecting a price, calculating expected cash flow data, and

calculating a potential ROI if said potential ROI is not within said target range.

16. The method of claim 13, further comprising calculating expected loss data, wherein said calculating comprises:

executing an account level loss forecast model;

executing a termination event model; and

calculating an expected loss in response to the execution of the account level loss forecast model and the execution of the termination event model.

17. A method for matching a level of risk to an expected return for a financial product, the method comprising:

selecting a first investment option, wherein said first investment option is a low risk option;

selecting a second investment option, wherein said second investment option is a higher risk option than said first investment option;

determining an estimated lifetime net income for said first and second investment options;

determining an estimated lifetime annualized net income for said first and second investment options;

dividing said estimated lifetime net income by said annualized net income for said first and second investment options to determine a corresponding return on investment for each of said first and second investment options;

calculating a risk for each of said corresponding returns on investment each of said investment options based on said duration; and

calculating an efficient frontier between said first and said second investment options, said efficient frontier defining a plurality of risks and corresponding returns on investment for said financial product.

18. A system for for matching a level of risk to an expected return for a financial product having a duration, the system comprising:

a processor;

a communications device, in communication with said processor; and

a memory unit in communication with said processor and storing a program, wherein said processor is operative with said program to:

select a first investment option and a second investment option;

calculate a risk and a corresponding return on investment for each of said investment options based on said duration; and

calculate an efficient frontier between said first and said second investment options, said efficient frontier defining a plurality of risks and corresponding returns on investment for said financial product.

19. An apparatus for matching a level of risk to an expected return for a financial product having a duration, the system comprising:

means for selecting a first and a second investment option;

means for calculating a risk and a corresponding return on investment for each of said investment options based on said duration; and

means for calculating an efficient frontier between said first and said second investment options, said efficient frontier defining a plurality of risks and corresponding returns on investment for said financial product.

20. A system for pricing a financial product, comprising:

a processor;

a communications device, in communication with said processor, receiving application data defining an application for a financial product;

a memory unit in communication with said processor and storing a program, wherein said processor is operative with said program to:

establish an efficient frontier defining a plurality of expected returns on investment (ROI) associated with a plurality of risks of loss;

select a price for said financial product;

calculate, based at least in part on said application data, expected cash flow data;

calculate, based at least on said expected cash flow data and said price, a potential ROI for said application;

compare said potential ROI with said expected ROI at a given risk of loss; and

approve said application with said price if said potential ROI is within a target range of said expected ROI.